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# MULTIMEDIA UNIVERSITY

## FINAL EXAMINATION

TRIMESTER 1, 2018 / 2019

### BSM 3104 STRATEGIC MANAGEMENT

( All Sections / Groups )

19 OCTOBER 2018

9.00 a.m – 11.00 a.m

( 2 Hours )

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#### INSTRUCTIONS TO STUDENTS

This examination paper consists of **FIVE (5)** pages in **TWO (2)** Sections:

1. **Section A** – 20 Multiple choice questions (40 marks)

Instruction: Answer **ALL** questions. Shade your answers in the OMR answer sheet provided using a '**2B**' or '**BB**' pencil.

2. **Section B** – 5 Essay questions (60 marks) – All questions carry equal marks.

Instruction: Answer **ALL THREE (3)** questions. Write your answers in the answer booklet provided.

**SECTION A (40 Marks)****Answer ALL questions**

Identify the letter of the choice that best completes the statement or answers the question.  
*All questions carry two (2) marks each.*

*Shade your choice of answers in the OMR answer sheet provided.*

1. Simply having a code of ethics
  - A. will ensure ethical business behavior.
  - B. secures an ethics culture in the workplace.
  - C. eliminates the need for periodic ethics workshops.
  - D. is insufficient to guarantee that employees behave in an ethical manner.
  - E. is all that is necessary to sensitize people to workplace circumstances in which ethics issues may arise.
2. More and more firms believe that ethics training and an ethics culture
  - A. are socially irresponsible.
  - B. create strategic advantage.
  - C. can tarnish the reputation of a firm.
  - D. are admirable but damage a firm's competitive positioning.
  - E. are costly and provide no practical benefit to the company.
3. If a firm has a bad sustainability record this will
  - A. help a firm in the market.
  - B. improve a firm's standing in the community.
  - C. cause investors to closely scrutinize the firm.
  - D. deflect the scrutiny of a firm by environmentalists.
  - E. release the firm from governmental reporting obligations.
4. Walmart encourages its employees to adopt "Personal Sustainability Projects" like weight-loss or smoking-cessation support groups, illustrating that
  - A. employee wellness can be a part of sustainability.
  - B. employee health issues have no business in the workplace.
  - C. the Global Reporting Initiative requires this of all U.S. companies.
  - D. a company's interest in its employees should be restricted solely to their work duties.
  - E. firms should crack down on employees' personal interests infringing upon business hours.
5. Which of these basic questions should a vision statement answer?
  - A. What is our business?
  - B. Who are our employees?
  - C. What are our challenges?
  - D. Who are our competitors?
  - E. What do we want to become?

**Continued.....**

6. After a draft mission statement has been developed, it is important to
  - A. vote on the mission statement.
  - B. ask managers to prepare a mission statement for the organization.
  - C. request modifications, additions, and deletions to the mission statement.
  - D. ask managers to seek support for the mission statement from their subordinates.
  - E. ask managers to read several articles about mission statements as background information.
7. The general public is especially interested in \_\_\_\_\_, whereas stockholders are more interested in \_\_\_\_\_.
  - A. profitability; social responsibility
  - B. social responsibility; profitability
  - C. environmental concerns; social responsibility
  - D. social responsibility; the treatment of employees
  - E. the treatment of employees; environmental concerns
8. Which of these examples of a mission statement's focus area does NOT identify the utility of the firm's products to its customers?
  - A. ExxonMobil focuses on oil and gas rather than energy.
  - B. AT&T focuses on communication rather than telephones.
  - C. Union Pacific focuses on transportation rather than railroads.
  - D. Universal Studios focuses on entertainment rather than movies.
  - E. A clothing retailer focuses on attractive looks rather than on clothes
9. The three all-encompassing internal resource categories used in the resource-based view are physical resources, human resources, and \_\_\_\_\_.
  - A. financial resources.
  - B. shareholder resources.
  - C. technological resources.
  - D. organizational resources.
  - E. non-renewable resources.
10. Which function of management includes areas such as job design, job specifications, job analysis, and unity of command?
  - A. Staffing
  - B. Planning
  - C. Organizing
  - D. Motivating
  - E. Controlling

Continued.....

11. The \_\_\_\_\_ decision is the allocation and reallocation of capital and resources to projects, products, assets, and divisions of an organization.
  - A. dividend
  - B. financing
  - C. benchmark
  - D. investment
  - E. restructuring
  
12. \_\_\_\_\_ become(s) \_\_\_\_\_ only when evaluated, filtered, condensed, analyzed, and organized for a specific purpose, problem, individual, or time.
  - A. Information; data
  - B. Data; information
  - C. Information; material
  - D. Data; competitive advantages
  - E. Competitive advantages; material
  
13. Which stage in the strategy-formulation framework focuses on generating feasible alternative strategies?
  - A. Input
  - B. Output
  - C. Decision
  - D. Matching
  - E. Throughput
  
14. What are the two external dimensions of the SPACE Matrix?
  - A. Stability position and industry position
  - B. Financial position and industry position
  - C. Industry position and competitive position
  - D. Stability position and competitive position
  - E. Competitive position and financial position
  
15. The BCG Matrix is designed specifically to enhance which type of firm's efforts to formulate strategies?
  - A. Companies with annual sales greater than \$1 million
  - B. Companies with annual sales of less than \$1 million
  - C. Companies with more than one division
  - D. Large companies
  - E. All companies

Continued.....

16. The act of oversight and direction for an organization is referred to as
  - A. governance.
  - B. centralized control.
  - C. establishing norms.
  - D. corporate lawmaking.
  - E. organizational direction.
17. Which two variables rank as marketing's most important contributions to strategic management?
  - A. Diversification and budgeting.
  - B. Competition and collaboration.
  - C. Marketing penetration and competition.
  - D. Market segmentation and product positioning.
  - E. Product development and market development.
18. What becomes a more attractive financing technique when cost of capital is high?
  - A. Debt
  - B. Borrowing
  - C. Cost cutting
  - D. Stock issuance
  - E. Staying privately owned
19. Which of these is the most common type of budgeting time frame?
  - A. Daily
  - B. Annual
  - C. Monthly
  - D. Quarterly
  - E. Every decade
20. Business analytics
  - A. is retrospective rather than predictive.
  - B. as an industry is experiencing a decline in revenue.
  - C. can enable a company to benefit from measuring risk, but it cannot enable the company to manage risk.
  - D. uses mathematical models that enhance decision making at only the topmost levels of management.
  - E. enables a firm to learn from experience and to make current and future decisions based on prior information.

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**SECTION B (60 Marks)****Answer ALL (3) questions.**

*Write your answers in the answer booklet provided. All questions carry the marks as indicated.*

1. a. Describe how organizations can create an ethical "culture".  
(10 marks)
- b. Briefly discuss at least FIVE (5) reasons why preserving the environment should be a permanent part of doing business.  
(10 marks)  
[20 marks]
2. a. Explain the principal value of a vision and mission statement.  
(10 marks)
- b. List the FIVE (5) steps that comprise an effective framework for conducting an IFE Matrix. Explain the details involved in performing each of the steps.  
(10 marks)  
[20 marks]
3. a. What is the purpose of the Quantitative Strategic Planning Matrix (QSPM)? What are the positive features and limitations of QSPM?  
(10 marks)
- b. What is business analytics and why is it so important in businesses today?  
(10 marks)  
[20 marks]

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